IN THE CLAIMS:

1.-17.   (Cancelled)

18.   (New) A picture decoding method for decoding a bitstream, said method comprising:

outputting a decoded picture by decoding a coded picture included in the bitstream;

outputting a filtered picture by performing filtering process on the decoded picture

storing the filtered picture as a reference picture into a memory in the case where the decoded picture is a reference picture;

extracting, from the bitstream, filtering application information indicating whether the filtered picture or the decoded picture prior to the filtering process is preferred to be outputted for a display process; and

selectively outputting the filtered picture or the decoded picture prior to the filtering process for the display process based on the extracted filtering application information.

19.   (New) The picture decoding method according to Claim 18

wherein the filtering application information indicates, only for a picture specified by the filtering application information, whether the filtered picture or the decoded picture prior to the filtering process is to be selectively outputted for the display process.

20. (New) The picture decoding method according to Claim 18,

wherein the filtering application information indicates, for a predetermined picture and each picture following the predetermined picture, that the decoded picture prior to the filtering process is preferred to be outputted for the display process.

21. (New) The picture decoding method according to Claim 18,

wherein the filtering application information indicates, for a predetermined picture and each picture following the predetermined picture, that the filtered picture is to preferred be outputted for the display process.

22. (New) A picture coding method for coding moving pictures made up of a sequence of pictures, said method comprising:

obtaining a coded picture by coding a picture included in the sequence of pictures making up the moving pictures;

outputting a decoded picture by decoding the coded picture;

outputting a filtered picture by performing filtering process on the decoded picture;

storing the filtered picture as a reference picture into a memory in the case where the decoded picture is a reference picture;

determining whether the filtered picture or the decoded picture prior to the filtering process is to be selectively outputted for a display process; and

multiplexing a result of the determination as filtering application information onto a bitstream.

23.   (New) The picture coding method according to Claim 22,

wherein the filtering application information indicates, only for a picture specified by the filtering application information, whether the filtered picture or the decoded picture prior to the filtering process is to be selectively outputted for the display process.

24.   (New) The picture coding method according to Claim 22,

wherein the filtering application information indicates, for a predetermined picture and each picture following the predetermined picture, that the decoded picture prior to the filtering process is to be outputted for the display process.

25.   (New) The picture coding method according to Claim 22,

wherein the filtering application information indicates, for a predetermined picture and each picture following the predetermined picture, that the filtered picture is to be outputted for the display process.